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The Netherlands

Solid Wood Products

Annual

2001

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Report Highlights:
The Netherlands imports 94 percent of its forest product needs. The value of U.S. forest product exports to the Netherlands amounted to US $32.9 million in 1999, down from $ 58.8 million in 1998. Opportunities for U.S. exports include Forest Stewardship Council (FSC) wood products.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Acronyms

CBB	Dutch Court of Justice for Trade and Industry
CCA	Copper Chromium Arsenic Bonds
CTB	Dutch Board for the Authorization of Pesticides
FSC	Forest Stewardship Council
SYP	Southern Yellow Pine
VVNH	Association of Dutch Wood Companies
WEI-IEO	West-European Institute for Wood Preservation
WNF	World Nature Fund

Executive Summary

One of the least wooded areas in Europe, the Netherlands imports 94 percent of its forest product needs. In 1999, total Dutch forest product imports reached U.S. $916 million, a small increase of 0.2 percent over the preceding year. In the first half of 2000, these imports decreased by 16 percent, compared to the same period in 1999.

The U.S. is a major exporter of oak (mainly white oak), other tempered hardwoods, and to a lesser degree softwood plywood to the Netherlands. The value of U.S. forest product exports to the Netherlands amounted to U.S. $32.9 million in 1999, down from U.S. $58.8 million in 1998. The decline is mostly due to a sharp decrease in U.S. exports of softwood plywood and increased competition by Eastern European countries for oak. Higher U.S. softwood plywood prices (due to a booming domestic demand) and a high U.S. dollar rate contributed to the decline in exports to the Netherlands. In particular, U.S. softwood plywood faces stiff competition from Finnish softwood plywood and Brazilian Eliotti Pine, and European produced OSB and MDF. This trend is likely to continue in 2001.

The Dutch construction industry is doing well. According to the Dutch State Secretary of Housing, the value of production increased 5.5 percent in 1999 and annual increases of 4.9 and 2 percent are expected for 2000 and 2001, respectively. This growth is driven by the favorable Dutch economy, which grew 4.5 percent in 2000 and is expected to grow by 4 percent in 2001. In 2000, the Dutch government launched the action plan "Use Durable Produced Wood 2000-2004" to increase the use of durable wood in the Dutch construction industry. Therefore, U.S. exports of FSC wood (Forest Stewardship Council) to the Netherlands, like certified Western Red Cedar, Douglas Fir, Redwood and Hemlock offer good opportunities.

The Dutch Ministry of Housing, Spatial Planning and Environment is currently considering a total ban on the use of copper compounds as wood preservatives in the Netherlands. A possible impact of this measure on U.S. exports of forest products to the Netherlands would be relatively minor, although "some" treated Southern Yellow Pine is imported into the Netherlands. In addition, the Dutch government is working on a bill to label all wood, forest products and paper in the Dutch market by January 2003. FSC certified wood will get a green label and uncertified wood will get a red label to make the consumer aware of the origin of wood. Again, FSC certified wood will have good market potential.

The 1999 sales in the Dutch furniture industry remained at $ 2.4 billion. In the first half year of 2000, sales for the Dutch furniture industry increased 8.8 percent compared to the same period in 1999. Growth in export markets mainly supported the increase in sales. The use of U.S. walnut in the Dutch furniture industry is increasing fast, because of the limited availability and relatively high price of U.S. cherry . It is expected that for the next five years darker colors (like red, brown and pink) will be the trend in wooden furniture and floors. This might have a negative effect on Dutch demand for U.S. white oak. Further on, temperate hardwood faces increasing competition from synthetic materials and laminated and foliated sheet materials like MDF.

Exchange Rate			
Year	**U.S. $**	**EURO**	**Dutch florin (guilder)**
1998	1	-	1.98
1999	1	0.94	2.07
2000	1	1.09	2.39

Production

Forest Situation/Outlook

The Netherlands is one of the least wooded areas in Europe. It has about 340,000 hectares of forest, equivalent to about 10 percent of its total land area. This compares to 29 percent in Germany, 25 percent in France and 20 percent in Belgium.

In 1994, the Dutch Government developed a Forest Policy Plan to increase 3,000 hectares of forest land annually with a target of 75,000 new hectares by the year 2020. So far, actual planting is far below the goal. Between 1995 and 1999, only 1,200 hectares of forest land were planted annually. The Forest Policy Plan details the Dutch Government's forestry goals for 1994 through 2020 and emphasizes sustainable development of the existing forest by improving the quality of the soil, air and water. According to the government, durable forest management (or forest certification) will contribute to a better image of wood and, therefore, to an increasing Dutch wood consumption. A higher consumption could improve the economic situation for the Dutch forest and wood sector.

Composition of the Dutch Remunerative Forest (1999)			
	Softwood		**Tempered Hardwood**
Total Hectares	173,000	**Total Hectares**	143,000
of which (in %)		of which (in %)	
Scotch pine	60	Oak	36
Japanese larch	9	Aspen	17
Douglas fir	11	Beech	9
Norway spruce	8	Other	38
Other	12		

Source: Stichting Bos en Hout

In the Netherlands, poplar is the main variety for the round wood processing industry (with a share of approximately 30 percent), followed by willow, douglas, larch and spruce. However, the Dutch wood processing industry, including the traditional wooden clog industry, is concerned about their future supply of wood from Dutch poplar trees. At present, just 100,000 trees are planted annually, whereas 700,000 trees are the minimum number needed to satisfy demand. In 2000, an "Action Plan for Poplar" was launched by the Dutch Institute of Forestry and Forest Products to increase the planting of more poplar trees in the Netherlands.

Ownership of Dutch Remunerative Forest (1997)

Private Persons	State	Provincial/Local	Nature Conserv. Org.
51 %	37 %	14 %	18 %

Source: Stichting Bos en Hout

Since the "big storm" of 1990, the earnings of the Dutch forestry has lagged behind the costs, partly due to low wood yields. Smaller forest firms face negative trading results and therefore the number of private forest owners is decreasing. In 1999, private forest firms with less than 50 hectares forest land lost US $37 per hectare, on average. In 1998, the loss amounted to US $77 per hectare. Compared to the preceding year, the 1999 wood yields were larger and labor was a little bit less expensive. However, Dutch subsidies for recreation and nature (worth US $106 in 1998) were cut down. Nevertheless, private forest firms with more than 50 hectares forest land showed a profit of US $17 per hectare, on average in 1999. In the preceding year, they lost US $26 per hectare.

Solid Wood Products Situation/Outlook

In 1999, the Dutch harvest of wood totalled approximately 1 million m^3, of which 882,000 m^3 was round wood. The annual harvest of larch was estimated at about 130,800 m^3, of douglas 168,800 m^3, of spruce 124,000 m^3, of pine 461,100 m^3, of oak 81,400 m^3 and of poplar 127,000 m^3. About 300,000 m^3 of round wood is harvested each year in the 90,000 hectares of Dutch State Forest land. Round wood is used by saw mills, the wooden clog industry, the fiber for paper/cardboard and fiber board and for poles and firewood. The 2001 Dutch harvest of round wood is estimated about the same level as in 2000.

Although the Netherlands supplies only 6.4 percent of its total wood consumption (16.3 million m^3 in 1999), Dutch wood varieties can compete with wood from abroad. The varieties most used are larch, douglas, spruce, pine, oak and poplar, which can be delivered with a KOMO quality certificate. Dutch ash, robinia, sweet chestnut and elm have also good market opportunities, especially in infrastructure construction. In 1999, almost 25 percent of Dutch wood was FSC certified. This share increased in 2000, when all Dutch State Forests were FSC (Forest Stewardship Council) certified. The estimated production of Dutch FSC-wood rose from 223,000 m^3 in 1999 to 337,000 m^3 in 2000, an increase of 34 percent.

Dutch lumber is mostly used for garden & landscape furniture, floors, exterior wall paneling and window-frames. The durability of larch makes it the most popular variety for floors and useful for construction purposes. Dutch forests produce little oak and beech round wood of veneer quality, which could be used for furniture and interior products. However, Dutch oak and beech can be used for inside timbering. Dutch pinewood and poplar wood are sold mainly to the packing and pallet industry.

Policy

Proposed Ban on CCA Treated Lumber

The Dutch Ministry of Public Health wants to ban all wood preservatives in the Netherlands. In October 1999, imports of, the possession of, the domestic trading in, and the use of, creosoted wood was banned for use in hydraulic engineering and for applications which bring the creosoted wood into direct contact with the ground or groundwater.

In May 2000, the Dutch Ministry of Public Health, Welfare and Sports implemented a ban on the use of wood preserved with copper compounds (CC and CCA salts) for outside applications. Both, the Ministry of Housing, Spatial Planning and Environment and the Ministry of Agriculture, Nature Management and Fisheries supported the ban. CCA treated wood is especially used in garden furniture, fences and boards. About 10-15 percent of all wood sold by retailers (mainly garden centers) is preserved with CCA.

The regulation --based on the 1998 Directive of the European Parliament on the placing of biocidal products on the market-- served to ensure that private individuals no longer handle or process wood preserved with copper compounds. On the evaluation of wood preservatives as part of an authorization pursuant to the Pesticide Act 1962, the Dutch board responsible for the authorization of pesticides (CTB) concluded that it is not possible to confirm that certain applications of these agents do not adversely affect the health of the private user or have a detrimental effect on human health. In the light of this conclusion it was also necessary, according to the Dutch government, to prevent imports of wood preserved with these compounds.

However, the European Commission did not agree with the Dutch proposal mentioned above. According to the E.C., the proposal would be an unjustified trade barrier. Moreover, Dutch authorities can’t prove that CCA (Copper Chromium Arsenic bonds) treated lumber is dangerous for the environment and human health. Therefore, all intended restrictions for the production, use, import, export and sales of preserved wood were abrogated in January 2001. The E.C.’s ruling was based on different research reports showing that there is no unacceptable risk regarding CCA treated lumber. In addition, on behalf of the Dutch wood industry, three companies in the Netherlands instituted legal proceedings at the Dutch court of justice for trade and industry (CBB) against the decisions of CBT regarding CCA treated lumber. According to the Dutch wood industry, the decisions were out of tune with the Dutch law and the European law and were also negligently made by CBT. In November 2000, the CBB required already a withdrawal of the decisions of CBT. The Dutch board for the authorization of pesticides cannot appeal against this sentence, since CBB is the highest court. All intended restrictions for CCA treated lumber were abrogated. According to CBB, CTB can’t set restrictions for the use of preserved wood, but only for the use of wood preservatives.

At the moment, the Dutch Ministry of Housing, Spatial Planning and Environment is considering a new resolution to ban the use of all copper compounds as wood preservatives. However, procedures such as publication in the Official Journal, comment period and parliamentary procedures could delay implementation up to a year.

Impacts of this measure on U.S. exports of forest products to the Netherlands would be relatively minor. According to importers there is “some” treated Southern Yellow Pine (SYP) imported into the Netherlands. Treated SYP is also used in U.S. made roller coasters (two have recently been imported into the Netherlands) and in some U.S. made playground equipment.

Control Mark System

The Dutch government is working on a bill to label all wood, forest products and paper in the Dutch market by January 2003. FSC certified wood would get a green label and uncertified wood would get a red label to inform consumers of the origin of wood. The objective of this measure is to contribute to a world wide extension of certified forests. The Association of Dutch Wood Companies (VVNH) disagrees with obligated labeling. According to them, the current voluntary labeling by Keurhout (the Dutch certification organization for durable wood) or FSC is sufficient to distinguish "green" wood from other wood. In addition, the proposed bill would increase the administrative, organizational and financial stress of firms in the Dutch wood processing industry. However, the government believes that the share of FSC-wood in the Dutch market is not increasing fast enough (with an annual growth rate of 4-8 percen) . In 1990, the Dutch government agreed that by 1995, only wood from certified forests should be handled in the Netherlands, but the market share of FSC-wood reached only 2 percent (180,000 m^3) in 1998. At the moment 8-10 percent of all construction wood (15 million m^3) in the Dutch market is FSC certified, with estimates of 25 percent (3.5 million m^3) in 2003 and 50 percent in 2006 (7 million m^3). The Dutch Good Wood Foundation, founded in 1999 by environmental organizations and wood processing firms, is taking the lead to realize this goal.

Although the Dutch government wants compulsory labeling of wood, the European Commission rejected the bill in 2000. According to the E.C., the Netherlands is not allowed to take measures to preserve forests world wide, which means also outside its own territory. In fact, the bill focused mainly on production locations in other member states and outside Europe. Therefore, the E.C. entreats the Dutch authorities to take their bill into consideration, because of the heated reactions on the bill within and outside Europe.

A possible impact of the above measure on U.S. exports of forest products to the Netherlands would be an increase of FSC wood, like certified Western Red Cedar, Douglas Fir, Redwood and Hemlock.

Trade

The Netherlands imports about 94 percent of its forest product needs. In per capita terms, this makes the Netherlands the world's largest importer of forest products. The 1999 total value of Dutch forest product imports amounted to US $916 million, slightly higher than the preceding year.

The Netherlands: Value of Imports of Forest Products

Description	1997	1998	1999	Jan-Jun* 1999	Jan-Jun 2000
	(in 1,000 Guilders)				
Softwood Logs	18,319	24,218	19,060	8,714	9,837
Temperate Hard. Logs	14,345	14,561	15,593	8,718	9,007
Softwood Lumber	1,152,926	1,052,458	1,058,031	528,078	591,279
Temperate Hard. Lumber	226,951	210,653	235,415	121,056	38,186
Temperate Hard.Veneer	17,108	19,999	17,935	9,351	242
Softwood Plywood	180,388	166,303	162,049	99,105	94,346
Other plywood	322,801	325,043	339,488	180,309	166,308
Total**	**1,932,838**	**1,813,235**	**1,847,571**	**955,331**	**909,205**

The Netherlands: Value of Imports of U.S. Forest Products

Description	1997	1998	1999	Jan-Jun* 1999	Jan-Jun 2000
	(in 1,000 Guilders)				
Softwood Lumber	17,326	13,233	12,519	5,684	6,455
Temperate Hard. Lumber	50,356	48,285	39,893	21,642	10,550
Softwood Plywood	66,100	54,960	13,999	13,804	16,770
Total	**133,782**	**116,478**	**66,411**	**41,130**	**33,775**
Total in Dollar equivalent	$68,466	$58,738	$32,926	$20,371	$14,723
% U.S. of Total Value	6.92	6.42	3.59	4.31	3.71
* Revised ** Tropical Hardwood Lumber has been deleted from this table.					
US$ 1 = DFL.	1.954	1.983	2.017	2.019	2.294

Source: Stichting Bos en Hout

Market Segment Analysis

Construction Sector

The Netherlands: Building Production by Sector in Dfl Million (1999 prices)				
	2000	**2001**	**2002**	**2003**
Housing Construction	31,790	32,610	32,130	32,380
New Houses	20,410	20,980	20,160	20,020
Renovations	11,380	11,630	11,970	12,360
Utility Construction	23,750	24,250	24,050	23,600
New Buildings	16,700	16,950	16,550	15,900
Renovations	7,050	7,300	7,500	7,700
Infra Structure	14,800	14,830	14,630	15,510
Public Sector	6,600	6,530	6,580	7,110
Market Sector	8,200	8,300	8,050	8,400
TOTAL	70,340	71,690	70,810	71,490
US$ 1 = DFL	2.390	-	-	-

Source: Ministry of Housing, Special Planning & the Environment

Overview
According to the Dutch State Secretary of Housing, the Dutch economy grew 4.5 percent in 2000 and is expected to grow 4 percent in 2001. The Dutch construction industry grew 5.5 percent in value in 1999 and annual increases of 4.9 and 2 percent are expected in 2000 and 2001, respectively.

Housing Construction
Production of housing increased 5.5 percent in 2000 and the growth rate will be slightly less in 2001. The growth is due to the construction of a few large sites around existing cities which are build for commuters (called VINEX locations). In addition, more building permits were given by municipalities (more than 91,000 permits in 2000). New housing construction usually means expensive houses for sale to private owners. House prices continuously rise, partly due to increasing construction costs.

In 2000, the total use of wood in the house construction industry amounted to 300,000 m^3. Only a small part was FSC certified.

Utility Construction
Production in the utility sector increased to 5 percent in 2000 and are expected to increase 2 percent in 2001. New investments in office buildings and construction for the trade sector, hotel and catering sector and the transportation industry are taking place. Investments in school building and constructions for the public health sector will also increase.

Infrastructure Construction
Infrastructure projects increased more than 11 percent in 2000 but zero growth is expected for 2001. Projects included preparations for a high speed train to Belgium and France, improved freight train links to Germany (from Rotterdam), various cities, and metro systems. Also, large investments in the Dutch telecommunications sector are taking place, especially for internet systems. It is expected that after 2002, expenditures for road construction will increase.

In 1998, the infrastructure construction industry used 202,500 m^3 wood. Approximately 40,000 m^3 wood was FSC certified.

Action Plans for More (Durable) Wood in the Dutch Construction Industry
In 1997, the Netherlands signed the "Kyoto agreement", designed to significantly reduce the emission of CO^2. An important element in this objective is the promotion of wood as a prime building material. With this in mind, the Dutch government launched the action plan "20 Percent More Wood in the Construction Industry" in 1995. The aim was to increase the use of wood in the construction industry with 430,000 m^3 between 1990 and 2000. A condition of using wood exclusively from forests under responsible, long-term management programs was included, which therefore excluded the use of most tropical hardwoods. In 2000, the objective was not achieved. However, economic growth resulted in a relative increase of more expensive and larger houses, which caused a slight increase of wood use per house between 1996 and 2000. In addition, the volume of wood used in wooden frame construction increased 29 percent between 1995 and 1997, while the share of plywood grows 37 percent.

To continue the action plan "20 Percent more Wood in the Construction Industry", the Dutch Ministry of Housing, Spatial Planning and Environment launched "Use Durable Produced Wood 2000-2004" in 2000. Under this plan, 27 projects were developed to increase the use of durable wood in the Dutch construction industry. The Dutch Wood Information Center (Centrum Hout) will coordinate these projects. The action plan excludes the use of most tropical hardwoods, so softwood could be used to fill this gap. By itself, softwood is not durable and, as a building material, has to be protected. Currently, around 25 percent of the wood used in the Netherlands is preservative treated by specialized companies. The modern Dutch timber preservation industry is leading the rest of Europe. However, as it is mentioned earlier, timber preservation will no longer be allowed in the Netherlands after 2001.

Alternative wood preservatives are available to replace current timber preservation formulations, while unpreserved wood is also an option. But then a shorter service life is introduced. According to the Western-Europe Institute for Wood Preservation (WEI-IEO), this is economically unacceptable and environmentally undesirable since an untreated wood product would have to be replaced five to six times more often. In the meantime, modification methods are being developed whereby wood is modified by a high temperature treatment process (like the innovative Dutch Platohout). This method of preservation is still in its early stages of development and its energy and water consumption is 10-15 times higher as normal. The use of more naturally durable hardwoods is another possible alternative. However, the European hardwood species have a restricted application and tropical hardwoods will still be preferred because of their known performance characteristics.

A possible impact of the above measures on U.S. exports of forest products to the Netherlands would be an increase of FSC wood, like certified Western Red Cedar, Douglas Fir, Redwood and Hemlock.

Furniture & Interiors Sector
Dutch furniture industry sales in 1999 remained at US $2.4 billion but the average price per piece of furniture decreased 3 percent. In the first half year of 2000, sales in the Dutch furniture industry increased 8.8 percent, compared to the same period in 1999. This grow was mainly due to a 10 percent increase in exports. Producers of eating and sitting furniture are doing very well at the moment, while producers of sleeping furniture and cupboards face less sales than last year. It is expected that the Dutch furniture industry is over its top now, mainly due to increasing production costs (high labor costs and high prices for raw materials) and competition by low income countries like Eastern European countries.

The Netherlands: Turnover Furniture Industry* in millions of Dutch Guilders			
	1997	**1998**	**1999**
Sales	4,370	4,764	5,041

* Wood & metal
Source: Central Bureau of Statistics

At the moment, the popularity of oak is remarkable, while darker wood varieties are not really breaking through. Combining wood with metal or glass is getting more attention, partly due to the increasing demand for hard design. Other trends are ‘Retro’, ‘Country side’ and ‘Lounging & clubbing’ (which means comfort). The same trends are seen in garden furniture, although more attention is given to durability. From mid April to mid May 2001, the World Nature Fund (WNF) will held the public campaign "Purchase Wood with an FSC certificate" in cooperation with Dutch garden centers, do-it-yourself shops and suppliers of parquet floors. This campaign should increase the consumer’s awareness for durable wood.

The Netherlands: Production of Wooden Furniture and Interiors in millions of Dutch Guilders			
	1997	**1998**	**1999***
Chairs, couches, etc.	554	554	563
Office and store furniture, & inter.	605	637	750
Bedroom furniture	157	161	158
Living room furniture	230	223	256
TOTAL	1,546	1,575	1,727

* Estimates
Source: CBS

Of the light wood varieties, white oak, beech, cherry, alder and birch are used the most in the Dutch furniture industry. The darker varieties, like walnut and dark oak, kept their market share although it is small compared to the market share of light wood. However, it is expected that for the next five years, darker colors like red, brown and pink will be the trend.

The Netherlands: Trade in Wood Furniture and Interiors in millions of Dutch Guilders		1997	1998	1999
Exports	Wood	690	676	727
	Metal	439	437	511
Imports	Wood	1,890	1,918	2,180
	Metal	583	627	678

Source: Central Bureau of Statistics (CBS)

Both massive and veneer wood find their way to the Dutch furniture industry. In general, wood competes with synthetic materials and laminated and foliated sheet materials, like MDF. It is expected that the market share of MDF in the Dutch furniture industry will expand strongly in the near future, since new specialties like fire-retardant and damp-resistant MDF will drive out standard MDF. In 1999, the Dutch consumption of MDF increased 13 percent to 270,000 m^3. In 2015, a consumption of 16-18 million m^3 is predicted. The floor market in particular offers good opportunities for MDF. There has been no demand for FSC certificated MDF yet.

The Netherlands: Purchases of Lumber & Sheet materials by Furniture Manufacturers in millions of Dutch guilders	1997	1998*
Wood, not processed	8.7	5.7
Sawn wood	29.5	34.4
Of which: - tropical wood	1.1	1.7
- softwood	11.4	12.0
Veneer and sheet material	186.0	200.4
Of which: - sheets of wood/wood waste	138.4	150.5
- veneer	3.1	3.9
- plywood	33.2	34.4
Frames for chairs, couches	36.4	46.0
Other wood and wooden materials	11.6	11.3

* Preliminary
Source: CBS

Flooring Industry
In the floors market, the share of parquet floors is increasing continuously. It is expected that the market will expand another five years before the saturation point is reached. However, the purchasing of raw materials needs more and more time and effort. This is also the case for U.S. wood, due to the high U.S. dollar rate and the large demand for U.S. wood in the domestic market.

Material Handling Industry

Industry Outlook
The Netherlands is a prosperous and open economy that depends heavily on foreign trade. Dutch trade and investment policy is among the most open in the world. Most trade barriers that exist result from common EU policies. A large current account surplus from trade and overseas investments; net exports of natural gas; and a unique position as a European transportation hub are among the strong features of the Dutch economy. With the world's largest port of Rotterdam, and Amsterdam Schiphol Airport as the fourth largest European airport, the Netherlands serves as a major distribution hub for transshipments of U.S. exports. More than 160 million consumers (half the European Union population) lives within a radius of 300 miles of Rotterdam. Services account for close to sixty percent of Dutch national income. Industrial activity is predominantly in food processing, chemicals, petroleum refining, and electric-technical engineering. A highly mechanized agricultural sector employs no more than four percent of the labor force, but provides large surpluses for food-processing and exports. The Dutch rank third worldwide in value of agricultural exports, behind the U.S. and France.

After four years of four percent average annual GDP growth, falling unemployment and modest inflation, the Dutch economy has shifted into lower gear. The slowdown of the U.S. economy and less favorable world trade growth prospects have reduced the GDP growth outlook for the Dutch economy to just 2.75 percent in 2001. Expectations are that lower export growth will weaken the foreign balance, while a combination of lower employment growth and diminishing wealth effects on consumption stemming from booming housing and stock markets will affect the dynamics of private consumption. The only impetus to consumer spending growth in 2001 will come from gains in household incomes reflecting a recent cut in income taxes. Eroding profit margins and a higher premium on borrowed capital will also decelerate the expansion of business fixed investment. The current growth slowdown is considered a temporary hick-up. Provided an expected recovery of world trade growth during the second part of 2001 materializes, and a threatening wage-price spiral can be averted, the Dutch economy will resume to its 3.5 percent potential rate of growth in 2002.

Disappointing developments in the real economy are overshadowed by a sharp flare-up of consumer price inflation. An increase in the VAT rate plus a hike in regulating energy levies (ecotax) provided for in the government's new tax system are expected to catapult the CPI increase in 2001 to an alarming 4.25 percent annual average, from 2.6 percent in 2000. This is the highest inflation rate in the euro zone. This may invite trade unions to table higher than expected contract wage demands and trigger a feared wage-price spiral. Labor contracts for the years 2001 and 2002 concluded so far provide for an average contract wage rise of 4 percent, the highest increase since 1992. The labor market is expected to tighten further, while a slowdown in employment growth will arrest the downward trend in registered unemployment at a historic low level of less than three percent of the labor force.

The Netherlands was one of the first EU member states to qualify for Economic and Monetary Union (EMU). Fiscal policy aims to strike a balance between further reducing public spending, lowering taxes and social security contributions, and reducing the stock of public debt. The fiscal balance registered a surplus of 0.8 percent of GDP in 2001 and is expected to remain in surplus in 2002 (1.6 percent of GDP) and beyond. The stock of public debt will fall from a high of 70 percent of GDP in 1997 to 51.8 percent in 2001 and to 46.7 percent in 2002. Both fiscal deficit and public debt have thus converged well below the deficit and debt criteria in the EMU’s Growth and Stability Pact. The Netherlands, which derives more than two-thirds of its GDP from merchandise trade, continues to have a strongly positive balance of payments for 2001 which is estimated at 44 billion guilders (US $20 billion- five percent of GDP), the main contributor to a current account surplus of close to 6 percent of GDP. Taking full advantage of the unique position of the Netherlands as a gateway to

Europe, bilateral trade between the U.S. and the Netherlands expanded to close to US $32 billion in 2000. The U.S. has its largest bilateral trade surplus in the world with the Netherlands (US $12 billion in 2000). While the Dutch have for years been among the top ten largest markets for U.S. exports worldwide, the U.S. in turn is the single most important Dutch market outside Europe. The U.S. has also grown into the largest foreign investor in the Netherlands. The stock of U.S. direct investment in the Netherlands increased to US $106 billion in 1999. This makes the Dutch the third largest recipient of U.S. direct investment worldwide. The Dutch in turn are the third largest direct investor in the U.S., with the stock of Dutch direct foreign investment growing to US $131 billion in 1999.

The Netherlands: Industrial Sales of Wooden Packaging Material
in millions of guilders

	1995	**1996**	**1997**	**1998**	**1999**
Wooden Pallets	306	325	341	353	327
One-way Pallets	164	181	224	242	223
Returnable Pallets	141	144	118	111	104
Box Pallets	45	43	51	75	65
Crates	95	88	86	88	79

Source: Central Bureau of Statistics

Forest Product

Strategic Indicator Tables for the Netherlands

CONSTRUCTION MARKET

	1999	**2000**	**2001**
Country:	Previous	Current	Following
Report Year:	Calendar Year	Calendar Year	Calendar Year
Total Housing Starts (thousand units)	84,000	91,000	90,000
--of which, wood frame (thousand units)	9,000	9,000	9,000
--of which, steel, masonry, other materials (thousand units)	75,000	82,000	81,000
--of total starts, residential (thousand units)	--	--	--
----of residential, single family (thousand units)	80%	80%	80%
----of residential, multi-family (thousand units)	20%	20%	20%
--of total starts, commercial (thousand units)	N.A.	N.A.	N.A.
Total Value of Commercial Construction Market ($US mil)	$16,971	$15,527	$15,870
Total Value of Repair and Remodeling Market ($US million)	$8,667	$7,711	$7,921

FURNITURE & INTERIORS MARKET

Country:	Previous	Current	Following
Report Year:	Calendar Year	Calendar Year	Calendar Year
Total Housing Starts (number of units)	84,000	91,000	90,000
Total Number of Households ('000 households)	6,800	6,850	6,900
Furniture Production ($US million)	2,435	2,581	2,650
Total Furniture Imports ($US million)	1,381	1,346	1,350
Total Furniture Exports ($US million)	598	579	585
Interiors Market Size ($US million)	N.A.	N.A.	N.A.

MATERIAL HANDLING MARKET			
Country:	Previous	Current	Following
Report Year:	Calendar Year	Calendar Year	Calendar Year
Total Value of Industrial Output ($US million)	319	276	276
New Pallet Production (million units)	18	16	16

FOREST AREA			
Country:	Previous	Current	Following
Report Year:	Calendar Year	Calendar Year	Calendar Year
Total Land Area (million hectares)	3.4	3.4	3.4
Total Forest Area ('000 hectares)	341	341	341
--of which, Commercial ('000 hectares)	316	316	316
----of commercial, tropical hardwood ('000 hectares)	0	0	0
----of commercial, temperate hardwood ('000 hectares)	173	173	173
----of commercial, softwood ('000 hectares)	143	143	143
Forest Type ('000 hectares)	300	300	300
--of which, virgin ('000 hectares)	341	341	341
--of which, plantation ('000 hectares)	113	113	113
--of which, other commercial (regrowth) ('000 hectares)	228	228	228
Total Volume of Standing Timber (thousand cubic meters)	61,703	62,633	63,562
--of which, Commercial Timber ('000 cum)	57,384	58,249	59,113
Annual Timber Removal ('000 cum) 1/	1,500	1,500	1,500
Annual Timber Growth Rate ('000 cum)	2,400	2,400	2,400
Annual Allowable Cut ('000 cum)	N.A.	N.A.	N.A.
1/ If Removals exceeds growth rate, analyze impact in text.			

WOOD PRODUCTS SUBSIDIES			
Country:	Previous	Current	Following
Year of Report	Calendar Year	Calendar Year	Calendar Year
Total Solid Wood Export Subsidy Outlay ($US million)	No	No	No
Is there a ban on the export of logs, lumber, or veneer? 1/	No	No	No
Are there export taxes (yes/no)? 2/	No	No	No
Total Wood Production Subsidy ($US million)	0	0	0
Scope (thousands of hectares)	--	--	--
Are there other wood products export expansion activities? 1/	No	No	No
1/ If yes, describe in report.			
2/ If yes, identify in Tariff and Tax Strategic Indicator Table.			
2/ Calculate as tariff plus other import taxes/fees assuming a commodity value of $100.			
FOREST PRODUCT TARIFFS AND TAXES TABLE			
The same for all European Union Countries			

Production, Supply and Distribution

Softwood Lumber

PSD Table						
Country	Netherlands					
Commodity	Softwood Lumber				1000 CUBIC METERS	
	Revised	**1999**	**Preliminary**	**2000**	**Forecast**	**2001**
	Old	**New**	**Old**	**New**	**Old**	**New**
Market Year Begin		**01/1999**		**01/2000**		**01/2001**
Production	180	203	180	205	0	210
Imports	2,600	2,892	2,700	2,920	0	2,950
TOTAL SUPPLY	**2,780**	**3,095**	**2,880**	**3,125**	**0**	**3,160**
Exports	235	258	240	285	0	290
Domestic Consumption	2,545	2,837	2,640	2,840	0	2,870
TOTAL DISTRIBUTION	**2,780**	**3,095**	**2,880**	**3,125**	**0**	**3,160**

The Netherlands imports about 95 percent of its softwood lumber needs. However, a relatively small part of total wood imports come from the United States. In 1999, the U.S. exported about 7,377 m^3 to the Netherlands, which is a negligible part of the Dutch softwood lumber consumption. The high U.S. dollar rate is a problem, as well as the large domestic demand in the United States which causes higher prices for U.S. softwood lumber.

U.S. species are used for special purposes such as the manufacturing of ladders and in maritime applications. In the past few years, U.S. softwoods such as Douglas Fir, Hemlock, and Western Red Cedar replaced, in some instances, tropical hardwoods in the manufacturing of window-frames and joinery. Imports of U.S. finger jointed products have decreased, because Dutch specifies insist on the guarantee of the Dutch KOMO quality specification.

Since the latter part of 1997, there has been a noticeable increase in Dutch imports of California Redwood (Giant Sequoia), which is mostly used for the manufacture of garden furniture. Redwood is also imported laminated and finger jointed for exterior wall paneling and for decking. Redwood fills the hole left by Western Red Cedar. Although Western Red Cedar is very popular because of its durability, its availability is limited due to a very large demand in the U.S. domestic market. Therefore, it is expected that the market share of Redwood will grow. This is also the case for Douglas Fir. The increasing market share of Douglas Fir is mainly due to its applications in construction (especially for window-frames), stimulated by the Dutch action plans "20 Percent More Wood in the Construction Industry" and "Use Durable Produced Wood 2000-2004". The popularity of Hemlock is decreasing, however, because of the high U.S. dollar rate and low prices for Scandinavian softwood lumber.

Trade

Trade Matrix: Softwood Lumber and Logs

Import Trade Matrix								
Country	Netherlands							
Commodity	**Softwood Lumber**				Commodity	**Softwood Lumber**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-June	Units:	m3
Imports for:	**1998**		**1999**		**Imports for:**	**1999**		**2000**
U.S.	9,886	U.S.	7,377		U.S.	3,782	U.S.	3,387
Others		Others			Others		Others	
Belgium/Lux	114,674		129,608		Belgium/Lux*	63,688		63,950
Germany	178,763		229,659		Germany	107,461		129,624
Norway	114,926		130,560		Norway	66,912		61,610
Sweden	1,126,885		946,257		Sweden	520,566		456,107
Finland	568,170		588,015		Finland	307,267		294,849
Russia Fed.	339,570		403,761		Russia Fed.	120,944		262,903
Poland	74,902		56,250		Poland	32,439		34,907
Estonia	68,431		72,627		Estonia	43,688		42,946
Latvia	134,053		127,516		Latvia	62,961		81,845
					Belarus	25,599		35,562
Total for Others	2,720,374		2,684,253		Total for Others	1,351,525		1,464,303
Others not Listed	181,636		200,402		Others not Listed	79,443		82,702
Grand Total	2,911,896		2,892,032		Grand Total	1,434,750		1,550,392

Export Trade Matrix								
Country	Netherlands							
Commodity	**Softwood Lumber**				Commodity	**Softwood Lumber**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-June	Units:	m3
Exports for:	**1998**		**1999**		**Exports for:**	**1999**		**2000**
U.S.	2,626	U.S.	808		U.S.	156	U.S.	1,308
Others		Others			Others		Others	
Belgium/Lux	158,390		154,861		Belgium/Lux*	82,661		59,642
Germany	47,975		52,075		Germany	23,613		33,672
France	9,143		8,599		France	4,327		6,278
United Kingdom	4,740		10,934		United Kingdom	5,396		4,699
Japan	13,296		18,678		Japan	11,116		17,365
Total for Others	233,544		245,147		Total for Others	127,113		121,656
Others not Listed	9,261		12,248		Others not Listed	5,429		11,155
Grand Total	245,431		258,203		Grand Total	132,698		134119

* Belgium/Lux: During the year 2000, figures apply only for Belgium.

Import Trade Matrix								
Country	Netherlands							
Commodity	**Softwood Logs**				Commodity	**Softwood Logs**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-Jun	Units:	m3
Imports for:	**1998**		**1999**		**Imports for:**	**1999**		**2000**
U.S.		U.S.			U.S.		U.S.	
Others		Others			Others		Others	
Belgium/Lux	134,842		105,478		Belgium/Lux*	47,791		43,292
Germany	116,684		77,001		Germany	39,084		50,666
Total for Others	251,526		182,479		Total for Others	86,875		93,958
Others not Listed	7,615		2,122		Others not Listed	1,387		10,225
Grand Total	259,141		184,601		Grand Total	88,262		104,183

Export Trade Matrix								
Country	Netherlands							
Commodity	**Softwood Logs**				Commodity	**Softwood Logs**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-Jun	Units:	m3
Exports for:	**1998**		**1999**		**Exports for:**	**1999**		**2000**
U.S.		U.S.			U.S.		U.S.	
Others		Others			Others		Others	
Belgium/Lux	191,026		136,679		Belgium/Lux*	70,895		57,688
Germany	31,913		21,377		Germany	10,617		6,286
Total for Others	222,939		158,056		Total for Others	81,512		63,974
Others not Listed	506		31		Others not Listed	23		5,384
Grand Total	223,445		158,087		Grand Total	81,535		69,358

Belgium/Lux: During the year 2000, figures apply only for Belgium.

Production, Supply and Distribution

Softwood Plywood

PSD Table						
Country	Netherlands					
Commodity	Softwood Plywood				1000 CUBIC METERS	
	Revised	**1999**	**Preliminary**	**2000**	**Forecast**	**2001**
	Old	**New**	**Old**	**New**	**Old**	**New**
Market Year Begin		**01/1999**		**01/2000**		**01/2001**
Production	0	0	0	0	0	0
Imports	230	243	240	250	0	260
TOTAL SUPPLY	**230**	**243**	**240**	**250**	**0**	**260**
Exports	10	13	10	15	0	20
Domestic Consumption	220	230	230	235	0	240
TOTAL DISTRIBUTION	**230**	**243**	**240**	**250**	**0**	**260**

The Netherlands depends completely on imports of its softwood plywood needs. In 2000, the U.S. lost its role as the largest supplier. In just the past few years, Finland became a strong competitor. Finnish softwood plywood has a few advantages over U.S. softwood plywood:

- Dutch users consider Finnish softwood plywood of a higher quality than U.S. plywood.
- Finnish softwood plywood can be delivered within one week.
- Finnish price quotes can be fixed for 6 months.

Brazil is also becoming an important competitor. The exports of Brazilian softwood plywood to the Netherlands has shown a remarkable increase since 1997.

At the moment, nine European mills produce OSB compared to three mills in 1990. As a result, the European production of OSB increased 1 million m^3 in the second half of the nineties. A production of 2 million m^3 is expected for the near future. Therefore, an increasing European OSB production; stiff competition by Finnish and Brazilian plywood producers; higher U.S. softwood plywood prices (due to a booming domestic demand); and a high U.S. dollar rate contributed to an enormous decline in exports of U.S. softwood plywood to Europe. In 2000, the annual turnover of U.S. softwood plywood in Europe was only 10 percent of the 1995 turnover.

Imports of softwood plywood in the Netherlands depend mostly on the activities in the construction sector. This is partly due to the Dutch government which promotes the use of timber in the construction of houses and other buildings because of the insulation properties of timber frame housing and because timber is a renewable resource. In 2000, the Dutch construction sector realized strong growth.

Trade

Trade Matrix: Softwood Plywood

Import Trade Matrix							
Country	Netherlands						
Commodity	**Softwood Plywood**			Commodity	**Softwood Plywood**		
Time period	Jan-Dec	Units:	m3	Time period	Jan-Jun	Units:	m3
Imports for:	**1998**		**1999**	**Imports for:**	**1999**		**2000**
U.S.	90,974	U.S.	23,054	U.S.	22,747	U.S.	25,369
Others		Others		Others		Others	
Bel/Lux	5,936		10,063	Bel/Lux*	4,848		9,385
France	13,474		18,727	France	9,440		10,029
Finland	77,069		105,025	Finland	52,405		36,282
Canada	20,896		25,032	Canada	24,804		14,571
Brazil	1,940		4,950	Brazil	4,393		4,102
Russia Fed	2,321		5,858	Russia Fed	5,298		5,832
Ireland	10,776		19,914	Ireland	8,802		9,781
Chile	3,853		9,118	Chile	8,030		3,001
				Secret	0		4,754
Total for Others	136,265		198,687	Total for Others	118,020		97,737
Others not Listed	17,651		21,351	Others not Listed	10,723		6,674
Grand Total	244,890		243,092	Grand Total	151,490		129,780

Export Trade Matrix							
Country	Netherlands						
Commodity	**Softwood Plywood**			Commodity	**Softwood Plywood**		
Time period	Jan-Dec	Units:	m3	Time period	Jan-June	Units:	m3
Exports for:	**1998**		**1999**	**Exports for:**	**1999**		**2000**
U.S.	8	U.S.	43	U.S.		U.S.	19
Others		Others		Others		Others	
Belgium/Lux	9,673		7,617	Belgium/Lux*	4,167		3,933
France	1,681		1,217	France	790		0
Germany	1,650		1,794	Germany	819		1,959
Denmark	4,000		0	Denmark	0		0
Total for Others	17,004		10,628	Total for Others	5,776		5,892
Others not Listed	1,259		2,633	Others not Listed	1,438		615
Grand Total	18,271		13,304	Grand Total	7,214		6,526

Belgium/Lux: During the year 2000, figures apply only for Belgium.

Import Trade Matrix								
Country	Netherlands							
Commodity	**Other Plywood**				Commodity	**Other Plywood**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-Jun	Units:	m3
Imports for:	**1998**		**1999**		**Imports for:**	**1999**		**2000**
U.S.	124	U.S.	2		U.S.	0	U.S.	0
Others		Others			Others		Others	
Belgium/lux	64,074		81,781		Belgium/lux*	48,374		37,712
France	60,573		63,998		France	31,059		32,929
Finland	30,740		29,951		Finland	15,237		12,023
Sweden	8,379		2,007		Sweden	1,913		2,086
Russia Fed	9,134		11,562		Russia Fed	7,145		3,720
Secret	43,054		42,489		Secret	23,132		20,703
Indonesia	26,902		32,771		Indonesia	20,981		8,912
Latvia	5,893		2,840		Latvia	1,689		260
Israel	4,499		6,597		Israel	3,310		4,277
Total for Others	248,749		267,399		Total for Others	152,840		122,622
Others not Listed	21,478		28,002		Others not Listed	10,035		13,303
Grand Total	270,351		295,403		Grand Total	162,875		135,925

Export Trade Matrix								
Country	Netherlands							
Commodity	**Other Plywood**				Commodity	**Other Plywood**		
Time period	Jan-Dec	Units:	M3		Time period	Jan-Jun	Units:	M3
Exports for:	**1998**		**1999**		**Exports for:**	**1999**		**2000**
U.S.	101	U.S.	99		U.S.	92	U.S.	126
Others		Others			Others		Others	
Belgium/Lux	22,758		23,166		Belgium/Lux*	14,343		10,099
France	4,235		4,418		France	2,250		3,106
Germany	3,996		3,983		Germany	1,378		1,440
Total for Others	30,989		31,567		Total for Others	17,971		14,645
Others not Listed	3,958		2,550		Others not Listed	1,674		1,074
Grand Total	35,048		34,216		Grand Total	19,737		15,845

Belgium/Lux: During the year 2000, figures apply only for Belgium.

Production, Supply and Distribution

Temperate Hardwood Logs and Lumber

PSD Table						
Country	Netherlands					
Commodity	Temperate Hardwood Lumber				1000 CUBIC METERS	
	Revised	**1999**	**Preliminary**	**2000**	**Forecast**	**2001**
	Old	**New**	**Old**	**New**	**Old**	**New**
Market Year Begin		**01/1999**		**01/2000**		**01/2001**
Production	140	140	140	140	0	145
Imports	230	283	240	290	0	295
TOTAL SUPPLY	**370**	**423**	**380**	**430**	**0**	**440**
Exports	45	56	50	60	0	65
Domestic Consumption	325	367	330	370	0	375
TOTAL DISTRIBUTION	**370**	**423**	**380**	**430**	**0**	**440**

According to Dutch traders, U.S. temperate hardwood logs imported in the Netherlands are all destined for re-export to either Belgium or Germany. These logs are used for veneer manufacturing. The production of veneer in the Netherlands is insignificant and is replaced by imports from either the U.S. or East European countries.

For a large part, the Netherlands depends on imports to cover its oak and other temperate hardwood needs. The U.S. is a significant supplier of oak, mostly white oak. Other species, like cherry, hard maple, ash and walnut are in demand as well. U.S. temperate hardwoods are mostly used in the furniture industry and for floors. White oak, hard maple and cherry make up approximately 70 percent of all U.S. wood used in the Dutch furniture and flooring industry. The use of U.S. walnut is increasing fast, because of the limited availability of U.S. cherry and its relative high price at the moment. Now, the price for walnut is equal to the price for hard maple.

In the first eight months of 2000, the market share of U.S. temperate hardwood increased 9 percent to US $2.2 million, compared to the same period last year. It is expected that for the next five years, the Dutch fashion in wooden furniture and floors will be darker colors, like red, brown and pink. This trend might have a negative effect on Dutch demand for U.S. white oak. In addition, U.S. oak faces more an more competition from oak imported from East European countries. The prices of East European oak are lower than U.S. oak and East European firms can better meet the Western European specifications for flooring. Further on, temperate hardwood competes with synthetic materials or laminated and foliated sheet materials, like MDF. It is expected that the market share of MDF in the Dutch furniture industry will expand strongly in the near future, since new specialties, like fire-retardant and damp-resistant MDF, will drive out standard MDF.

Trade

Trade Matrix: Temperate Logs and Lumber

Import Trade Matrix								
Country	Netherlands							
Commodity	**Temperate Hardwood Logs**				Commodity	**Temperate Hardwood Logs**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-June	Units:	m3
Imports for:	1998		1999		Imports for:	1999		2000
U.S.	655	U.S.	302		U.S.	163	U.S.	341
Others		Others			Others		Others	
Belgium/Lux	58,962		73,037		Belgium/Lux*	22,796		20,181
Germany	49,588		43,301		Germany	35,198		33,608
Total for Others	108,550		116,338		Total for Others	57,994		53,789
Others not Listed	5,137		4,389		Others not Listed	2,927		4,654
Grand Total	114,342		121,029		Grand Total	61,084		58,784

Export Trade Matrix								
Country	Netherlands							
Commodity	**Temperate Hardwood Logs**				Commodity	**Temperate Hardwood Logs**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-June	Units:	m3
Exports for:	**1998**		**1999**		**Exports for:**	**1999**		**2000**
U.S.	315	U.S.	95		U.S.	31	U.S.	0
Others		Others			Others		Others	
Belgium/Lux	56,171		95045		Belgium/Lux*	50,322		34,371
					China	0		4,149
Total for Others	56,171		95,045		Total for Others	50,322		38,520
Others not Listed	5,316		4,349		Others not Listed	2,268		1,038
Grand Total	61,802		99,489		Grand Total	52,621		39,558

Belgium/Lux: During the year 2000, figures apply only for Belgium.

Import Trade Matrix								
Country	Netherlands							
Commodity	**Temperate Hardwood Lumber**				Commodity	**Temperate Hardwood Lumber**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-June	Units:	m3
Imports for:	**1998**		**1999**		**Imports for:**	**1999**		**2000**
U.S.	34,704	U.S.	26,090		U.S.	14,961	U.S.	4,557
Others		Others			Others		Others	
France	27,435		43,013		France	21,867		1,593
Germany	35,339		64,202		Germany	32,062		5,674
Belgium/Lux	26,402		34,491		Belgium/Lux*	16,943		2,895
Canada	20,490		17,384		Canada	9,243		1,228
Brazil	14,894		5,685		Brazil	3,949		1,722
Malaysia	8,217		4,178		Malaysia	2,430		2,231
Poland	8,136		8,318		Poland	3,829		1,671
Lithuania	10,788		9,916		Lithuania	4,246		4,000
Latvia	7,864		29,915		Latvia	10,290		10,508
Hungary	5,503		5,900		Hungary	3,389		1,850
Total for Others	165,068		223,002		Total for Others	108,248		33,372
Others not Listed	26,909		33,907		Others not Listed	17,265		9,011
Grand Total	226,681		282,999		Grand Total	140,474		46,940

Export Trade Matrix								
Country	Netherlands							
Commodity	**Temperate Hardwood Lumber**				Commodity	**Temperate Hardwood Lumber**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-June	Units:	m3
Exports for:	**1998**		**1999**		**Exports for:**	**1999**		**2000**
U.S.	130	U.S.	327		U.S.	81	U.S.	65
Others		Others			Others		Others	
Germany	11196		8,902		Germany	5,087		269
Belgium/Lux	9047		14,450		Belgium/Lux*	7,657		1,645
France	7095		7,655		France	5,452		0
United Kingdom	2002		3,169		United Kingdom	1,641		0
Taiwan	1762		0		Taiwan	1,461		0
Hong Kong	3525		8,441		Hong Kong	3,525		766
China	1605		4,822		China	1,613		757
Japan	871		4,016		Japan	1,024		3,265
Total for Others	37,103	51,455	51,455		Total for Others	27,460		6,702
Others not Listed	3,016	4,549	4,549		Others not Listed	1,556		532
Grand Total	40,249	56,331	56,331		Grand Total	29,097		7,299

Belgium/Lux: During the year 2000, figures apply only for Belgium.

Production, Supply and Distribution

Temperate Hardwood Veneer

PSD Table						
Country	Netherlands					
Commodity	Hardwood Veneer			1000 CUBIC METERS		
	Revised	**1999**	**Preliminary**	**2000**	**Forecast**	**2001**
	Old	**New**	**Old**	**New**	**Old**	**New**
Market Year Begin		**01/1999**		**01/2000**		**01/2001**
Production	0	0	0	0	0	0
Imports	9	7	9	7	0	6
TOTAL SUPPLY	**9**	**7**	**9**	**7**	**0**	**6**
Exports	2	2	2	2	0	2
Domestic Consumption	7	5	7	5	0	4
TOTAL DISTRIBUTION	**9**	**7**	**9**	**7**	**0**	**6**

U.S. temperate hardwood veneer imported into the Netherlands is mostly re-exported to Belgium and Germany for use in the furniture industry. However, due to changing consumer tastes, U.S. oak, cherry and maple veneers are being partly replaced by European beech veneers. Also, the price and quality competition from the Ukraine, which supplies oak logs for European veneer production, is said to be getting tougher.

Trade

Trade Matrices: Temperate Hardwood Veneer

Import Trade Matrix								
Country	Netherlands							
Commodity	**Hardwood Veneer (Temperate)**				Commodity	**Hardwood Veneer (Temperate)**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-June	Units:	m3
Imports for:	**1998**		**1999**		**Imports for:**	**1999**		**2000**
U.S.	218	U.S.	180		U.S.	148	U.S.	0
Others		Others			Others		Others	
Germany	6,301		4,978		Germany	2,351		9
France	1,797		508		France	92		
Belgium/Lux	940		384		Belgium/Lux*	239		7
					Canada	112		0
Total for Others	9,038		5,870		Total for Others	2,794		16
Others not Listed	689		1,012		Others not Listed	286		0
Grand Total	9,945		7,062		Grand Total	3,228		16

Export Trade Matrix								
Country	Netherlands							
Commodity	**Hardwood Veneer (Temperate)**				Commodity	**Hardwood Veneer (Temperate)**		
Time period	Jan-Dec	Units:	m3		Time period	Jan-June	Units:	m3
Exports for:	**1998**		**1999**		**Exports for:**	**1999**		**2000**
U.S.	56	U.S.	80		U.S.	37	U.S.	0
Others		Others			Others		Others	
Belgium/Lux	1,650		992		Belgium/Lux*	584		22
Germany	246		80		Germany	67		2
Ireland	124		121		Ireland	66		0
Italy	114		203		Italy	56		0
Spain	86		241		Spain	97		0
Portugal	70		110		Portugal	61		0
Israel	198		0					
Total for Others	2,488		1,747		Total for Others	931		24
Others not Listed	262		666		Others not Listed	186		8
Grand Total	2,806		2,493		Grand Total	1,154		32

Belgium/Lux: During the year 2000, figures apply only for Belgium.